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REDACTED - FOR PUBLIC INSPECTION

March 22, 2011

Marlene H. Dortch, Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, D.C. 20554

**Re: WC Docket No. 10-90, GN Docket No. 09-51, WC Docket No. 07-135, WC
Docket No. 05-337, CC Docket No. 01-92, CC Docket No. 96-45
Notice of *Ex Parte* Presentation**

Dear Ms. Dortch:

This request for confidentiality is made on behalf of Hill Country Telephone Cooperative, Inc. ("Hill Country") pursuant to the September 16, 2010 Protective Order in CC Docket No. 01-92, WC Docket Nos. 05-337, 07-135 and 10-90 and GN Docket No. 09-51.¹ Hill Country seeks confidential treatment of the data attached to the above-referenced Notice of Ex Parte Presentation.

Pursuant to paragraph 4 of the Protective Order, non-redacted and redacted versions are filed herewith. Each page of the non-redacted submission is marked "CONFIDENTIAL INFORMATION – SUBJECT TO PROTECTIVE ORDER IN CC DOCKET NO. 01-92, WC DOCKET NOS. 05-337, 07-135 AND 10-90 AND GN DOCKET NO. 09-51 BEFORE THE FEDERAL COMMUNICATIONS COMMISSION". Each page of the redacted submission is marked "REDACTED - FOR PUBLIC INSPECTION". The redacted version is also being filed this date via the FCC's Electronic Comment Filing System.

Please contact the undersigned with any questions.

Respectfully submitted,

/s/ John Kuykendall

John Kuykendall
Vice President
on behalf of
Hill Country Telephone Cooperative, Inc.

Attachment

cc: Lynne Hewitt Engledow, Wireline Competition Bureau (two copies non-redacted)

¹ See *Developing a Unified Inter-carrier Compensation Regime*, CC Docket No. 01-92, Protective Order, 25 FCC Rcd 13160 (WCB 2010)



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**Re: WC Docket No. 10-90, GN Docket No. 09-51, WC Docket No. 07-135, WC
Docket No. 05-337, CC Docket No. 01-92, CC Docket No. 96-45
Notice of *Ex Parte* Presentation**

Dear Ms. Dortch:

On March 21, 2011, Delbert Wilson of Hill Country Telephone Cooperative, Inc. ("Hill Country") and Steve Meltzer of John Staurulakis, Inc. ("JSI") met with Carol Matthey, Rebekah Goodheart, Elise Kohn, Patrick Halley, Trent Harkrader, Amy Bender, Gary Seigel, Ted Burmeister and Victoria Goldberg of the Wireline Competition Bureau.

The subject of discussion was the impact of proposed National Broadband Plan universal service and intercarrier compensation reforms on Hill Country operations and service to rural areas of the Texas Hill Country. Specifically, data was provided to illustrate the effect of proposed reforms on Hill Country's High Cost Loop, Local Switching, Interstate Common Line, and Safety Net Additive support. A copy of the data which was provided to staff is attached.

Please contact the undersigned with any questions.

Respectfully submitted,

/s/ John Kuykendall

John Kuykendall

Vice President

on behalf of

Hill Country Telephone Cooperative, Inc.

cc: Carol Matthey
Rebekah Goodheart
Elise Kohn
Patrick Halley
Trent Harkrader
Amy Bender
Gary Seigel
Ted Burmeister
Victoria Goldberg

Attachment

Echelon Building II, Suite 200
9430 Research Blvd.
Austin, Texas 78759
phone: 512-338-0473, fax: 512-346-0822

Eagandale Corporate Center, Suite 310
1380 Corporate Center Curve
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6849 Peachtree Dunwoody Road
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Atlanta, Georgia 30328
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547 South Oakview Lane
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REDACTED - FOR PUBLIC INSPECTION

Hill Country

SAC ID: 442086

NPRM Proposed Changes

High Cost Loop Fund Changes:

Current HCL Support*

Reduction due to algorithm change

Reduction due to elimination of Corp. Exp.

Combined effect (run together)

Increase due to resizing of NACPL

Revised HCLF Support

(stand alone)

(stand alone)

(assumed decrease of 27% to NACPL)

Redacted

Redacted

Redacted

Redacted

Redacted

Redacted

FCC proposes to eliminate (or reduce) support for corporate expenses in all funding mechanisms.

FCC proposes to reduce the reimbursement percentages for high-cost loop support from the current percentages of 65% for qualifying study area loop costs between 115 - 150% and 75% for qualifying study area loop costs in excess of 150% to 55% and 65%, respectively.

Local Switching Support Changes:

Current LSS

Reduction due to elimination of Corp. Exp.

Revised LSS Support

Redacted

Redacted

Redacted

The FCC seeks to eliminate local switching support, or combine this program with high-cost loop support. Alternatively, the FCC would combine the LSS program into the HCLF program—creating a LHCS hybrid, using an algorithm similar to HCLF.

Interstate Common Line Support Changes:

Current ICLS

Reduction due to elimination of Corp. Exp.

Revised ICLS Support

Redacted

Redacted

Redacted

Safety Net Additive

Current Safety Net Support

Reduction due to elimination of Safety Net

Revised Safety Net

Redacted

Redacted

Redacted

The FCC seeks to eliminate safety net additive support immediately, or implement a phase-down over possibly three years

	Original	Revised	Impact	% Change
HCLF	Redacted	Redacted	Redacted	Redacted
LSS	Redacted	Redacted	Redacted	Redacted
ICLS	Redacted	Redacted	Redacted	Redacted
Safety Net	Redacted	Redacted	Redacted	Redacted
Totals	Redacted	Redacted	Redacted	Redacted
Loops	Redacted	Redacted	Redacted	Redacted
USF/Loop/Year	Redacted	Redacted	Redacted	Redacted

*Current NACPL of \$458.36